

Message Text

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ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-08

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04

OPIC-06 SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15

STR-04 CEA-01 /101 W

-----201001Z 022683 /22

R 200900Z APR 77

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 7102

INFO AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

UNCLAS TOKYO 5750

E.O. 11652: N/A

TAGS: EFIN, JA

SUBJECT: JAPAN: ECONOMIC STIMULUS PACKAGE

1. SUMMARY: FOLLOWING UP ON DISCOUNT RATE CUT THIS WEEK, GOVT OF JAPAN STEPS UP EFFORTS TO EXPEDITE PUBLIC WORKS PROJECTS. END SUMMARY.

2. REFLECTING CONTINUING CONCERN ABOUT THE SLUGGISH ECONOMY, THE GOVT ANNOUNCED TUESDAY, APRIL 19, YET ANOTHER PACKAGE OF ECONOMIC STIMULUS MEASURES, COMPLEMENTING THE DISCOUNT RATE CUT EFFECTIVE THE SAME DAY. THE FOCUS OF THIS MINI-PACKAGE IS ON ACCELERATION OF PUBLIC WORKS PROGRAMS. SPECIFICALLY IT WAS ANNOUNCED THAT A LITTLE OVER HALF OF PUBLIC WORKS APPROPRIATIONS IN THE FISCAL 1977 BUDGET (YEN 10 TRILLION) ARE TO BE CONTRACTED IN THE FIRST QUARTER OF THE FISCAL YEAR. ADDITIONALLY, THE GOVT RAISED ITS TARGET FOR PUBLIC WORKS CONTRACTS TO BE AWARDED IN THE FIRST

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HALF OF FISCAL 1977 TO 73 PERCENT OF THE FULL FISCAL YEAR PUBLIC WORKS BUDGET, A FURTHER INCREASE FROM THE 70 PERCENT FIGURE IN THE FOUR POINT STIMULUS PROGRAM ANNOUNCED MARCH 11 (TOKYO 3493). TO INSURE A MAXIMUM EFFORT TO ATTAIN THESE TARGETS, AN INTER-MINISTERIAL GROUP CHAIRED BY FINMIN BOH WITH VICE MINISTERIAL LEVEL REPRESENTATIVES FROM CONCERNED MINISTRIES IS BEING SET UP TO FURTHER REFINE

TARGETS FOR PUBLIC WORKS SPENDING AND TO MONITOR PROGRESS.

3. THE GOVT IN ANNOUNCING THE PACKAGE ALSO EXPRESSED ITS
GENERAL INTEREST IN SECURING BROAD REDUCTIONS IN INTEREST
RATES. SPECIFICS ON EFFORTS IN THIS DIRECTION WILL BE
REPORTED SEPARATELY.
SHOESMITH

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC RECOVERY, ECONOMIC PROGRAMS, INTEREST RATES
Control Number: n/a
Copy: SINGLE
Sent Date: 20-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770136-1144
Format: TEL
From: TOKYO
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770436/aaaabeys.tel
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Litigation History:
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Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Page Count: 2
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Previous Classification: n/a
Previous Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2743767
Secure: OPEN
Status: NATIVE
Subject: JAPAN: ECONOMIC STIMULUS PACKAGE
TAGS: EFIN, ECON, JA
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/2b01b1a1-c288-dd11-92da-001cc4696bcc
Review Markings:
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